



The Economic Impact of Georgia's Nonprofit Sector



Georgia Center
for Nonprofits

In partnership with
Georgia Institute of Technology

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FOREWARD

We live our lives in nonprofit organizations. From hospitals to day care centers, soccer leagues, community theatre, historical societies, friends of the park, colleges, hospice, and everything in between; nonprofits touch our lives from birth to death.

Nonprofits provide local economies with public services that generate positive outcomes, generally experienced as important components of local quality of life. These quality of life gains that the sector uniquely produces are at the core of what makes nonprofits a special breed of business in the US. Instead of producing monetary profits that accrue to stockholders and owners, they produce community profits, in the form of increased green space, lowered crime, supported families and vibrant cultural experiences that accrue to stakeholders in local communities. These stakeholders are you and me: its citizens.

As important as they are, community profits are not the only positive outcome that the nonprofit sector produces. The economic impacts of nonprofit organizations are often given little attention by traditional economic theory and applied economics. In fact, policymakers frequently regard the role of nonprofits as ancillary to the economic well-being of local communities, choosing instead to focus the majority of their time and attention on analyzing and supporting the growth potential of the for-profit sector. However, there is inestimable value in looking at the nonprofit sector's economic impact in our State.

On a practical note, the nonprofit sector in Georgia produces over 13.2% of the state's employment – an undeniably huge number of jobs that have significant influence on local economies. The product of the sector's work is more than just niceties: it also has a direct economic benefit. For example, the quality of life gains that are the sector's product attract employers and a quality employee base by offering rich cultural experiences, affordable housing, workforce development and support services, vibrant social services that reduce homelessness and crime, quality health care and active lifestyle options.

The data and findings in this report will contribute to a fuller understanding of the charitable nonprofit sector in Georgia and its direct and indirect contribution to the state's economy, in a variety of ways:

- By informing local elected officials, legislators, business leaders, and key decision-makers at all levels about the charitable nonprofit sector generally, and its specific impact on the state's economy and quality of life;
- By encouraging the consideration of the charitable nonprofit sector in policy decision-making by government leaders on the state and local levels;
- By informing the general public, potential donors, and professional advisors, about the size and impact of the charitable nonprofit sector, illustrating what impacts are already occurring, and especially the potential of the sector to influence future quality of life gains in the state.

As a result, we hope that this report will encourage our Legislature to invest in the sector as it does other important employment generators in the state; to craft more nonprofit-friendly and relevant public policy vis à vis the nonprofit arena; to contemplate the economic repercussions of budget cuts and unfriendly nonprofit policy decisions on the local economies of the communities, and constituencies, they represent.

We hope that it will reinforce nonprofit leadership's visible and vocal promotion of the sector's importance; will stimulate the sector to monitor threats to its integrity; will encourage leaders to invest resources in advocacy efforts not just to preserve their own organizational interests, but to join with the Georgia Center for Nonprofits and its members to promote the viability and growth of the nonprofit sector in Georgia.

Finally, we hope that this report will provoke citizens to consider what our communities would be like without nonprofit organizations – and, ultimately, to advocate for them.

Lastly, to our members: we thank you for supporting important research like this economic impact report with your financial and leadership resources. It is our privilege to support your work and impact.

A handwritten signature in black ink, appearing to read "Karen", with a stylized flourish at the end.

Karen Beavor
President and CEO
Georgia Center for Nonprofits

Learn more about our work and our members at www.gcn.org

EXECUTIVE SUMMARY

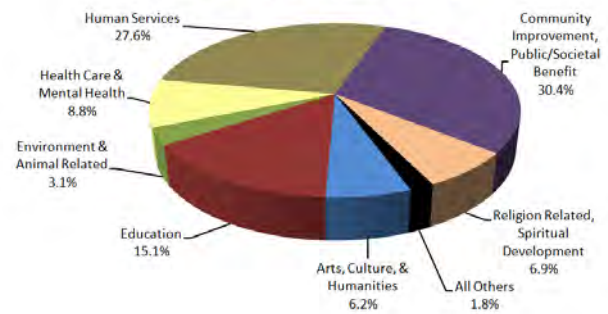
The nonprofit sector in Georgia is quite large and diverse, representing interests ranging from health care, education, and business associations to community groups focused on playing bridge. In all 159 counties across the state, nonprofits work to better their communities by directly addressing issues of concern, through public service or civic engagement. The nonprofit sector spans the political spectrum of ideas, encompassing every aspect of human endeavor – from symphonies and little leagues, to homeless shelters and day care centers. While every nonprofit is unique, all are based on the core value of people coming together around issues of mutual concern, and common interest, to pursue the common good.

The purpose of this report is to summarize data on Georgia's nonprofit sector and show how nonprofits impact the economy. Contributing to the overall health of our economy, nonprofits bring in money from outside sources (or keep money from leaving the state), provide jobs and wages to residents, and circulate money in the economy through their purchases of goods and services. Nonprofits are also a taxpaying workforce, and a network of community leaders, policymakers, and businesses. In addition, nonprofits benefit us in ways that can't be easily quantified. Nonprofits are the tools for community-building, fostering civil society, and strengthening our social fabric. The sector is essential to improving the quality of life, and making Georgia an ideal place to live and work.

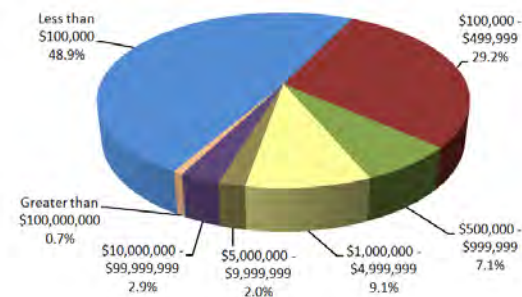
KEY FINDINGS

- In 2009, there were 39,174 Georgia nonprofit organizations registered with the Internal Revenue Service (IRS), an increase of more than 25 percent since 2003.
- The total value of the assets of reporting Georgia nonprofit organizations was \$95.9 billion.
- The total value of the expenditures of reporting Georgia nonprofit organizations was \$43.1 billion – almost 11 percent of Georgia's Gross State Product (GSP) in 2009.
- More than 75 percent of total revenues for reporting Georgia nonprofits came from fees for services and dues, while only 21.9 percent derived from private contributions.

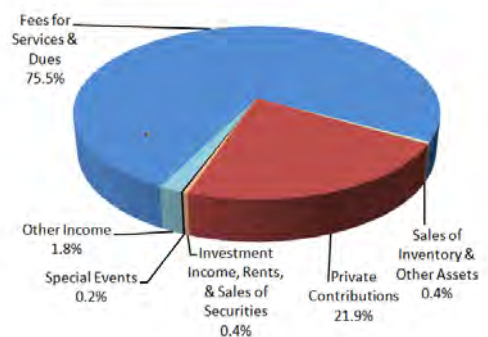
Nonprofits by Type in Georgia, 2009



Nonprofits by Expenditure Level in Georgia, 2009



Sources of Revenue for Nonprofits in Georgia, 2009



- Nonprofits involved in community improvement and public/societal benefit made up 30.4 percent of the total number of Georgia nonprofits – the largest category. The second largest category was human services at 22.6 percent.
- Georgia hospitals represented only 1 percent of all nonprofits, but accounted for nearly one-third of all expenditures and just over one-fifth of all the assets of Georgia nonprofits.
- Only 3.6 percent of all Georgia nonprofits had expenditures of \$10 million or more, but those organizations controlled 60.3 percent of all Georgia nonprofit assets.
- The top 10 foundations (in terms of assets) had assets of \$4.8 billion representing 49.8 percent of all Georgia private foundation assets.
- With a payroll of more than \$10.4 billion, nonprofits have a greater payroll than the construction, real estate, or information technology sectors in Georgia.
- Depending on the assumptions used, approximately 512,000 jobs in Georgia resulted from the nonprofit sector, and more than \$22 billion of personal income. At a minimum in 2009, there were 237,000 jobs that are the result of Georgia nonprofit organizations, and \$10.6 billion of personal income.

CONCLUSION

This report is an update to the initial economic impact of nonprofits report that was done for 2003. Six years and one “Great Recession” after the initial work, the nonprofit sector has grown considerably and is still an economic force in Georgia. With a payroll exceeding \$10 billion and total employment of more than 231,000 people, if it were classified as its own industry, the Georgia nonprofit sector would rank ninth among Georgia sectors in terms of total compensation. In terms of total employment, the nonprofit sector would rank 11th behind finance and insurance, but ahead of real estate.

Nonprofits in Georgia should use this report to:

- Insert themselves in local and state policy discussions about economic development.
- Seek inclusion in budget discussions as an industry.
- Mitigate local property tax challenges.
- Seek industry-wide exemption from sales tax and other nonprofit business-friendly policy.
- Seek leadership inclusion on boards, committees, and other governmental decision bodies that shape state, local, or departmental strategy.
- Promote partnerships with local industry.
- Enhance communications to position themselves beyond “quality of life benefit,” toward a blended statement of quality and economic benefit.

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INTRODUCTION

The Georgia Center for Nonprofits is pleased to present this report, in collaboration with the Georgia Institute of Technology's Enterprise Innovation Institute, to promote a better understanding and appreciation of our state's nonprofit community. Contributing to the overall health of our economy, nonprofits bring in money from outside sources (or keep money from leaving the state), provide jobs and wages to residents, and circulate money in the economy through their purchases of goods and services. Nonprofits are also a taxpaying workforce, and a network of community leaders, policymakers, and businesses. In addition, nonprofits benefit us in ways that can't be easily quantified. Nonprofits are the tools for community-building, fostering civil society, and strengthening our social fabric. The sector is essential to improving the quality of life, and making Georgia an ideal place to live and work.

The nonprofit sector in Georgia is quite large and diverse, representing interests ranging from health care, education, and business associations to community groups focused on playing bridge. In all 159 counties across the state, nonprofits work to better their communities by directly addressing issues of concern through public service or civic engagement. The nonprofit sector spans the political spectrum of ideas and encompasses every aspect of human endeavor, from symphonies and little leagues to homeless shelters and day care centers. While every nonprofit is unique, all are based on the core value of people coming together around issues of mutual concern and common interest to pursue the common good. This report aims to build awareness about the critical role of nonprofits in our society and economy, and to educate policymakers, the media, and the public about Georgia's nonprofit sector.

In 2006, the Georgia Center for Nonprofits, along with the Carl Vinson Institute of Government at the University of Georgia, calculated the economic impact of Georgia's nonprofit sector on the state's economy. Because of the lag in the available data, that impact was for the fiscal year 2003. This report updates that research and provides the economic impact of the nonprofit sector in Georgia for 2009 – six years and one “Great Recession” after the initial work. To the best of our ability, we have followed the exact same format, used the same data sources, reported on the same indicators, and where possible, followed the same methodology that was used six years ago. The only significant difference between the 2006 work and this effort is related to the model used to simulate the Georgia economy. The model used in 2006 allowed for a forecast of the nonprofit sector's economic impact to be presented, whereas the model used here provides a look at a single point in time. Any comparison between the 2003 results and the 2009 results presented here would be a valid analysis.

The 2006 report also provided some excellent background information and, because both studies are for the benefit of the Georgia Center for Nonprofits' community of members and supporters, this report borrows heavily from the 2006 report (in some cases with little or no changes). For both 2003 and 2009, state economies were driven by three primary sectors: public, private, and nonprofit.

This analysis provides an estimate of the nonprofit sector's impact on Georgia's economy under two different set of assumptions, and briefly compares the sector to traditional areas of commerce and industry.

METHODOLOGY

The IMPLAN™ Model

It is first important to understand the three components of “total economic impact” – direct impact, indirect impact, and induced impact. The *direct impact* of any economic activity comprises the employment, personal income, and/or gross output related to that activity. For example, in the case of the Georgia nonprofit sector, the direct impact would include those people employed by Georgia nonprofits, their income, and the output of the sector, which is often measured in terms of total revenue.

However, the direct activity is just the beginning of the total economic impact. The money that flows into Georgia nonprofits is used by them to purchase goods and services. Some of these are purchased within Georgia, while others are purchased outside the state. To the extent that goods and services are purchased in the state, they represent an increase in state employment and income, and therefore have additional economic impact beyond the direct impacts. To the extent that goods and services are purchased outside the state, they are said to have “leaked” out of the state’s economy and have no more economic impact. The impacts that arise from these purchases represent the *indirect impact* of Georgia’s nonprofit sector.

The third and final component of the economic impact is a result of the spending decisions of employees. Employees spend some of their income inside and outside Georgia. Again, to the extent that their income is spent in Georgia, it also generates an additional increase in employment and income. These impacts represent the *induced impact* of Georgia’s nonprofit sector.

Therefore, the total economic impact of Georgia’s nonprofit sector is the sum of the direct, indirect, and induced impacts. This leads to another common term used in economic impact analysis – “multiplier.” Simply put, the multiplier is the ratio of the total economic impact to the direct economic impact and represents the extent to which the initial activity stimulates further economic activity.

To simulate the spending decisions of the nonprofit sector and the companies they purchase from, and the spending of their employees, an input/output model of the Georgia economy is needed. The one used here is the nationally recognized IMPLAN™ model developed by the Minnesota IMPLAN Group.¹ IMPLAN™ is an input-output model configurable for any multi-county region, state, or even a single county. The model constructs a complete set of regional social accounts that describe commodity flows from producers to intermediate and final consumers. In the model, the total industry purchases of commodities, services, employment compensation, value added, and imports equal the value of the commodities produced. For this analysis, an IMPLAN™ model was built for the entire state of Georgia. The model simulates the particular spending patterns of more than 500 industries as well as households. The employment, personal income, and total revenues for the nonprofit sector (that is, direct impact) were entered into the model, which simulated all the indirect and induced spending rounds as the business and households spent and re-spent the initial revenue. At each round, some money leaked out of Georgia, and the spending rounds were simulated until all the initial monies had leaked out of the state’s economy.

¹ Minnesota IMPLAN Group can be accessed at the following URL: <http://www.implan.com>

Data and Underlying Assumptions

This analysis began by gathering extensive detailed information about the gross receipts, operating expenditures, and wages paid by Georgia nonprofits. This data mainly came from datasets obtained from the National Center for Charitable Statistics (NCCS). The NCCS compiles data from the annual returns that organizations file with the Internal Revenue Service (IRS). The data from the NCCS also included the federal tax ID number for each of these organizations. Using that tax ID number, researchers combined the data with a proprietary firm-level employment database to establish the total employment of the nonprofit sector in Georgia.

The NCCS data also identifies the county in which each nonprofit operates as well as the North American Industry Classification System (NAICS) code for each nonprofit. Based on the available data, in 2009 every Georgia county had at least one nonprofit organization, and the state as a whole had more than 11,400 reporting nonprofits that fell into approximately 90 different NAICS codes. The NAICS code classifications were used by the economic model described above to estimate the goods and services purchased by Georgia nonprofits from all other sectors.

While revenues for nonprofits come from three primary sources – government fees for services, private contributions, and earned revenue – the NCCS data do not identify the proportion of revenues by source. As described later in this report, that information is critical to identifying the “new” money that the nonprofit sector brings into the state. For this report, we relied on survey data provided by the Georgia Center for Nonprofits.

Impacts Not Included in the Analysis

According to the NCCS, a large portion of registered charities are not required to file an annual return with the IRS because their annual gross receipts are less than \$25,000. As such, there is no way to gather information on their revenue received, people employed, or wages paid. Therefore, they were not included in this analysis. Because of their small size, the economic impact of any one these charities by itself would be small, but because there are so many, their cumulative economic impact may be quite significant.

Further, religious organizations are not required to report. While some do, the large majority does not and therefore those also were not included in this analysis. Again, because of their size, the economic impact of any one these religious organizations by itself would be small, but because of their number, their combined economic impact could be quite large.

Finally, the nonprofit sector in Georgia contributes to the state in other ways not easily quantified. By providing services such as health care, educational opportunities, cultural activities, youth development, and counseling, the nonprofit sector contributes to the vitality of a community in a matter that transcends dollars and cents. These impacts lie beyond the scope of this analysis, but are no less significant to the overall well-being of Georgia citizens.

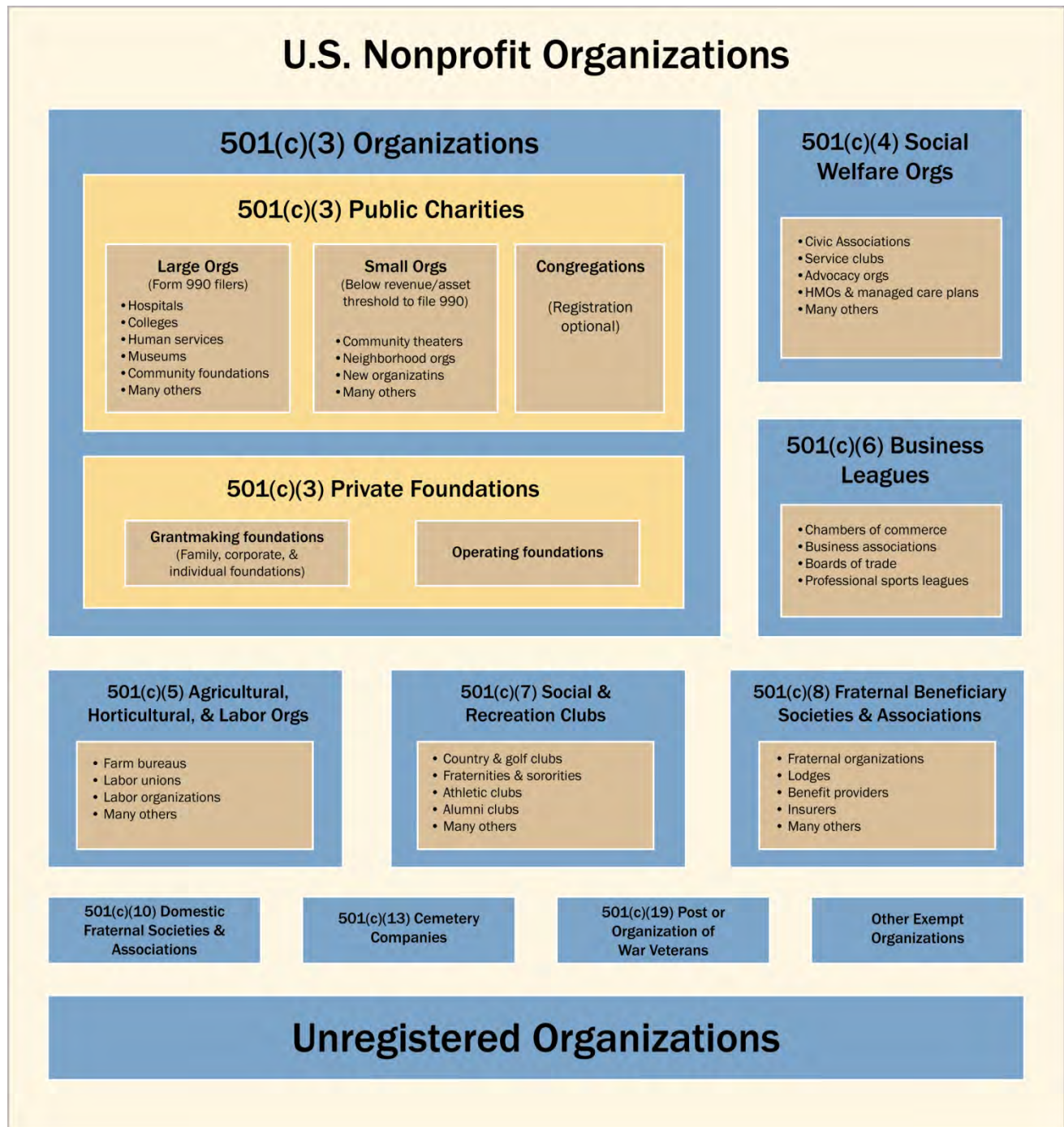
KEY FINDINGS

- In 2009, there were 39,174 Georgia nonprofit organizations registered with the Internal Revenue Service (IRS), an increase of more than 25 percent since 2003.
- 11,444 Georgia nonprofit organizations filed with the IRS – 7,005 501(c)(3) public charities; 1,815 501(c)(3) private foundations; and 2,624 other 501(c) subsection organizations.
- The total value of the assets of reporting Georgia nonprofit organizations was \$95.9 billion.
- The total value of the expenditures of reporting Georgia nonprofit organizations was \$43.1 billion – almost 11 percent of Georgia’s Gross State Product (GSP) in 2009.
- More than 75 percent of total revenues for reporting Georgia nonprofits came from fees for services and dues, while only 21.9 percent derived from private contributions.
- Nonprofits involved in community improvement and public/societal benefit made up 30.4 percent of the total number of Georgia nonprofits – the largest category. The second largest category was human services at 22.6 percent.
- Georgia hospitals represented only 1 percent of all nonprofits, but accounted for nearly one-third of all expenditures and just over one-fifth of all the assets of Georgia nonprofits.
- Only 3.6 percent of all Georgia nonprofits had expenditures of \$10 million or more, but those organizations controlled 60.3 percent of all Georgia nonprofit assets.
- The top 10 foundations (in terms of assets) had assets of \$4.8 billion representing 49.8 percent of all Georgia private foundation assets.
- The percent of income contributed by Georgia itemizers in 2009 was 2.9 percent and the average charitable contribution of itemizers in Georgia was \$3,681.
- Georgia ranked 39th in the nation with respect to the percent of the population 16 and older who volunteer (24.4 percent) and 37th in the nation with respect to the number of volunteer hours per resident (31.4 hours).
- With a payroll of more than \$10.4 billion, nonprofits have a greater payroll than the construction, the real estate, or the information technology sectors in Georgia.
- Depending on the assumptions used, approximately 512,000 jobs in Georgia resulted from the nonprofit sector and more than \$22 billion of personal income. At a minimum in 2009, there were 237,000 jobs that are the result of Georgia nonprofit organizations and \$10.6 billion of personal income.

SIZE AND SCOPE OF THE NONPROFIT SECTOR IN GEORGIA

The National Center for Charitable Statistics (NCCS) has a wealth of data regarding the size and scope of the nonprofit sector in Georgia. Figure 1 below comes from the NCCS and gives an overview of how the nonprofit sector in the United States is structured.

Figure 1: The Structure of the Nonprofit Sector



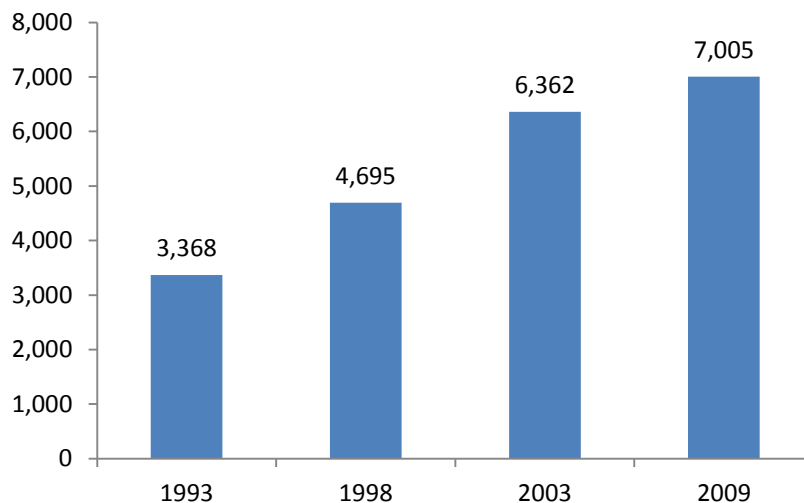
While Georgia has several categories of nonprofit organizations, the largest segment is the 501(c)(3) classification, which includes public charities and private foundations. In 2009, the number of total public charities in Georgia rose 7.2 percent, but the number of reporting charities, i.e., those with annual gross receipts over \$25,000, declined (Table 1). Despite this decline in the most recent year, the number of reporting 501(c)(3) public charities in Georgia grew substantially over the past 15 years (Figure 2). Note that religious congregations are not required to report and therefore were not included in this number; still, they remain a significant part of the economic impact of nonprofits in Georgia.

Table 1: Total Number of Public Charities in Georgia, 2006-2009

Year	IRS Reporting Public Charities *	Total Public Charities	Reporting as a Percent of Total
2006	7,085	22,092	32.1%
2007	7,616	23,922	31.8%
2008	7,642	25,365	30.1%
2009	7,005	27,189	25.8%

Source: National Center for Charitable Statistics, Urban Institute

Figure 2: IRS Reporting Public Charities in Georgia, Selected Years from 1993-2009



Source: National Center for Charitable Statistics, Urban Institute

In addition to the 501(c)(3) public charities, there were 2,850 501(c)(3) private foundations, and more than 9,100 other 501(c) subsection nonprofits in Georgia in 2009 (Table 2). Of those, more than 1,800 of the private foundations were required to report, as were more than 2,600 of the other subsection nonprofits. Those both represent substantial increases over the levels previously reported for 2003.

Table 2: Total Number of Nonprofits in Georgia, 2009

Tax-Exempt Organizations	Registered with the IRS *	Filing Annual IRS Report
501(c)(3) Public Charities	27,189	7,005
501(c)(3) Private Foundations	2,850	1,815
Total 501(c)(3):	30,039	8,820
501(c)(4) Social Welfare Organizations	2,078	465
501(c)(5) Labor/Agricultural Organizations	923	378
501(c)(6) Business Leagues	1,758	809
501(c)(7) Social & Recreational Clubs	1,361	398
501(c)(8) Fraternal Beneficiary Associations	1,719	108
501(c)(other)	1,296	466
Total Other 501(c) Subsections:	9,135	2,624
Total Nonprofit Organizations:	39,174	11,444

* Religious congregations are not required to report and therefore are only included if they are registered with the IRS. About half are registered with the IRS..

Source: National Center for charitable Statistics, Urban Institute

Assets, Revenues, and Expenditures for Nonprofits in Georgia, 2009

Of the 39,174 nonprofit, tax-exempt organizations registered with the IRS in Georgia in 2009, nearly 30 percent had to file an annual report with the IRS – meaning that they had gross receipts of \$25,000 or more. The total assets of those that had to file with the IRS were \$95.9 billion, and they had expenditures exceeding \$43.1 billion. Two counties – Fulton and DeKalb – accounted for 60.4 percent of the total nonprofit assets in the state and 52.9 percent of the total nonprofit expenses. Other counties with more than \$1 billion in nonprofit assets were Bibb, Chatham, Clarke, Cobb, Floyd, Gwinnett, Hall, Muscogee, and Richmond (Table 3).

Revenues for Georgia nonprofits were just over \$43 billion in 2009 – slightly under the level of expenditures. As shown in Figure 5, more than 75 percent of Georgia nonprofit revenue came from fees for services and dues. The next largest revenue source was private contributions, which accounted for nearly 22 percent. The remaining 3 percent came from various other sources, including investment income, which accounted for only 0.4 percent. That is significantly less than in 2003 when investment income accounted for 3 percent of total revenue; however, given that the stock market hit a 10-year low in 2009, these results are not surprising.

Table 3: Nonprofits by County in Georgia, 2009

County	Number	Assets	Expenses
Appling	13	\$3,020,513	\$1,897,285
Atkinson	2	\$339,421	\$88,755
Bacon	5	\$207,643,451	\$127,236,142
Baker	3	\$14,990,840	\$8,192,257
Baldwin	39	\$247,591,852	\$108,035,859
Banks	9	\$10,539,940	\$1,185,580
Barrow	38	\$22,730,322	\$8,113,957
Bartow	56	\$153,688,132	\$37,489,216
Ben Hill	13	\$3,684,917	\$874,373
Berrien	10	\$15,296,419	\$2,066,074
Bibb	295	\$2,496,519,133	\$1,206,000,018
Bleckley	8	\$74,635,232	\$2,117,569
Brantley	5	\$144,806,885	\$64,971,666
Brooks	14	\$78,940,118	\$43,686,710
Bryan	15	\$2,593,416	\$941,746
Bulloch	77	\$565,114,869	\$54,602,957
Burke	11	\$3,849,660	\$2,808,101
Butts	27	\$249,612,581	\$112,686,213
Calhoun	5	\$2,737,664	\$823,676
Camden	42	\$99,328,301	\$23,996,848
Candler	7	\$132,560,241	\$54,727,749
Carroll	88	\$723,851,342	\$425,434,051
Catoosa	34	\$148,925,703	\$226,864,448
Charlton	4	\$230,413	\$439,715
Chatham	412	\$2,156,637,675	\$1,631,235,915
Chattahoochee	1	\$149,553	\$11,717
Chattooga	13	\$7,711,980	\$1,138,752
Cherokee	178	\$404,901,725	\$110,878,866
Clarke	243	\$2,208,201,515	\$995,540,123
Clay	1	\$98,301	\$72,691
Clayton	117	\$313,642,309	\$339,787,109
Clinch	7	\$3,018,322	\$1,387,311
Cobb	703	\$3,860,695,433	\$2,059,062,697
Coffee	16	\$115,147,667	\$91,189,819
Colquitt	46	\$238,100,390	\$150,151,590
Columbia	119	\$151,797,286	\$58,770,263
Cook	11	\$986,664	\$1,179,319
Coweta	90	\$124,045,201	\$149,135,109
Crawford	3	\$237,975	\$96,003
Crisp	20	\$90,103,598	\$75,807,268

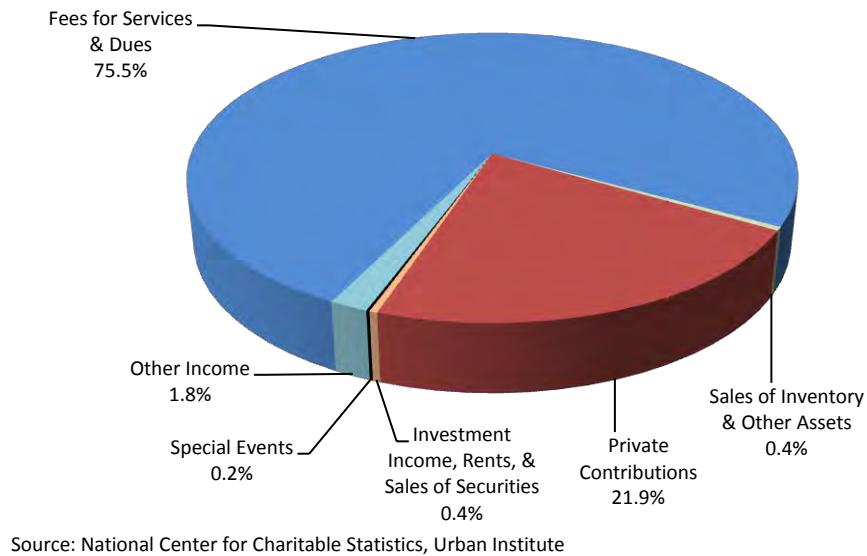
County	Number	Assets	Expenses
Dade	13	\$6,064,519	\$8,566,253
Dawson	32	\$23,144,709	\$14,047,747
Decatur	26	\$13,400,810	\$6,994,143
DeKalb	1,057	\$19,038,983,410	\$7,521,691,965
Dodge	18	\$49,314,223	\$20,837,413
Dooly	9	\$44,485,395	\$20,481,962
Dougherty	135	\$971,910,934	\$651,965,781
Douglas	78	\$497,901,810	\$263,660,334
Early	14	\$4,133,686	\$6,741,184
Echols	2	\$33,007	\$73,150
Effingham	24	\$4,695,424	\$3,421,558
Elbert	21	\$9,025,472	\$2,048,127
Emanuel	22	\$11,369,271	\$9,568,445
Evans	9	\$26,621,293	\$36,316,080
Fannin	32	\$63,936,366	\$40,271,683
Fayette	172	\$122,111,076	\$77,651,348
Floyd	108	\$1,314,617,108	\$447,647,026
Forsyth	99	\$557,073,460	\$330,227,429
Franklin	24	\$73,600,977	\$54,432,734
Fulton	2,754	\$38,851,413,270	\$15,344,083,274
Gilmer	40	\$17,755,065	\$5,603,958
Glascok	1	\$62,609	\$41,729
Glynn	136	\$772,303,466	\$611,892,070
Gordon	34	\$137,971,438	\$78,923,019
Grady	17	\$83,018,808	\$34,084,475
Greene	34	\$19,912,359	\$25,284,219
Gwinnett	679	\$3,087,261,314	\$1,039,198,372
Habersham	45	\$251,770,284	\$86,819,419
Hall	191	\$1,372,362,538	\$710,249,614
Hancock	2	\$135,779	\$137,266
Haralson	21	\$11,290,364	\$5,626,241
Harris	22	\$60,963,186	\$12,702,073
Hart	20	\$155,367,046	\$82,859,492
Heard	2	\$132,038	\$91,924
Henry	113	\$271,764,920	\$233,973,831
Houston	94	\$393,363,143	\$296,000,424
Irwin	10	\$61,371,759	\$25,956,158
Jackson	45	\$842,616,829	\$429,782,571
Jasper	7	\$9,134,014	\$12,963,435
Jeff Davis	5	\$5,822,285	\$663,840

Table 3: Nonprofits by County in Georgia, 2009 (cont.)

County	Number	Assets	Expenses
Jefferson	19	\$162,344,722	\$60,970,176
Jenkins	5	\$57,937,140	\$26,444,757
Johnson	5	\$1,863,923	\$4,687,486
Jones	13	\$119,699,347	\$130,897,048
Lamar	21	\$67,468,605	\$42,022,026
Lanier	5	\$7,908,671	\$13,910,861
Laurens	50	\$91,820,441	\$43,273,257
Lee	5	\$1,919,324	\$704,782
Liberty	33	\$100,622,935	\$46,991,089
Lincoln	3	\$256,951	\$172,579
Long	3	\$276,626	\$1,155,602
Lowndes	113	\$396,209,250	\$95,655,851
Lumpkin	38	\$102,388,853	\$12,404,033
McDuffie	24	\$181,040,353	\$32,090,550
McIntosh	11	\$939,665	\$1,087,274
Macon	9	\$8,252,630	\$3,184,826
Madison	19	\$8,256,444	\$14,200,611
Marion	5	\$2,075,199	\$496,958
Meriwether	11	\$2,650,773	\$3,644,321
Miller	8	\$14,178,935	\$3,096,082
Mitchell	22	\$129,843,960	\$58,739,832
Monroe	22	\$8,100,087	\$6,489,475
Montgomery	2	\$31,725,884	\$20,386,554
Morgan	32	\$19,175,266	\$7,019,883
Murray	12	\$7,759,443	\$3,409,642
Muscogee	318	\$1,983,974,588	\$1,069,508,593
Newton	60	\$323,199,421	\$270,419,848
Oconee	42	\$18,355,229	\$21,013,994
Oglethorpe	8	\$936,046	\$472,239
Paulding	58	\$8,115,149	\$5,812,019
Peach	26	\$86,376,265	\$9,393,252
Pickens	48	\$233,024,129	\$130,522,246
Pierce	11	\$3,926,984	\$2,349,229
Pike	13	\$2,366,979	\$3,915,668
Polk	29	\$6,926,328	\$3,763,876
Pulaski	19	\$120,178,310	\$268,191,461
Putnam	30	\$18,654,723	\$5,847,822
Quitman	2	\$74,063	\$76,354
Rabun	49	\$149,491,011	\$36,604,984
Randolph	6	\$35,520,500	\$12,589,553

County	Number	Assets	Expenses
Richmond	269	\$1,558,324,478	\$731,765,949
Rockdale	63	\$50,242,364	\$71,568,226
Schley	3	\$458,066	\$908,446
Screven	10	\$51,744,221	\$9,719,489
Seminole	9	\$93,304,936	\$60,046,253
Spalding	61	\$41,517,663	\$19,711,513
Stephens	49	\$134,916,082	\$79,122,957
Stewart	4	\$1,607,468	\$4,806,664
Sumter	49	\$653,085,578	\$428,189,917
Talbot	1	\$165,587	\$42,234
Taliaferro	1	\$134,550	\$42,819
Tattnall	6	\$104,582,034	\$42,214,178
Taylor	8	\$296,416,783	\$152,463,281
Telfair	3	\$306,419	\$808,867
Terrell	6	\$3,032,241	\$2,222,368
Thomas	85	\$784,016,784	\$396,287,035
Tift	51	\$90,202,533	\$19,199,461
Toombs	29	\$94,263,960	\$107,963,486
Towns	19	\$271,497,974	\$118,295,120
Treutlen	3	\$1,152,902	\$447,684
Troup	109	\$594,234,449	\$165,732,428
Turner	5	\$180,329	\$286,993
Twiggs	3	\$270,335	\$117,237
Union	27	\$71,784,274	\$46,721,096
Upson	19	\$160,584,080	\$104,389,304
Walker	37	\$85,257,431	\$47,246,705
Walton	76	\$543,794,669	\$383,782,642
Ware	50	\$176,635,046	\$167,345,075
Warren	7	\$2,843,748	\$2,196,609
Washington	24	\$83,397,733	\$47,441,394
Wayne	14	\$3,211,818	\$2,713,732
Webster	1	\$63,397	\$51,441
Wheeler	2	\$49,446,636	\$19,497,964
White	32	\$34,041,992	\$16,029,557
Whitfield	97	\$915,078,866	\$535,313,606
Wilcox	3	\$182,284	\$356,757
Wilkes	10	\$72,015,111	\$35,234,220
Wilkinson	7	\$2,042,601	\$1,008,023
Worth	11	\$9,104,224	\$17,901,577
Other	5	\$7,498,896	\$32,751,819
Total	11,444	95,875,398,117	43,079,868,102

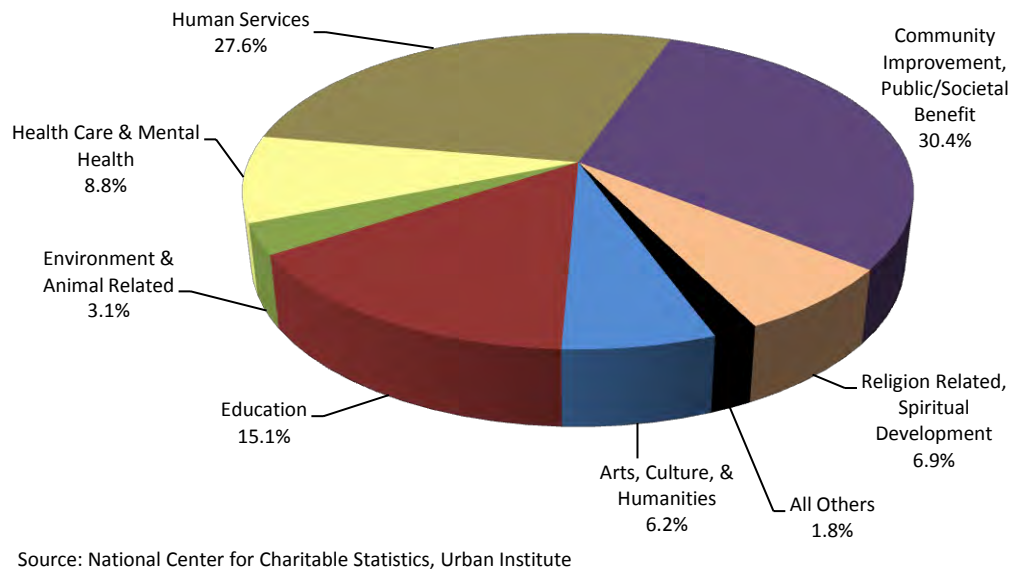
Figure 5: Sources of Revenue for Nonprofits in Georgia, 2009



Nonprofits by Type in Georgia, 2009

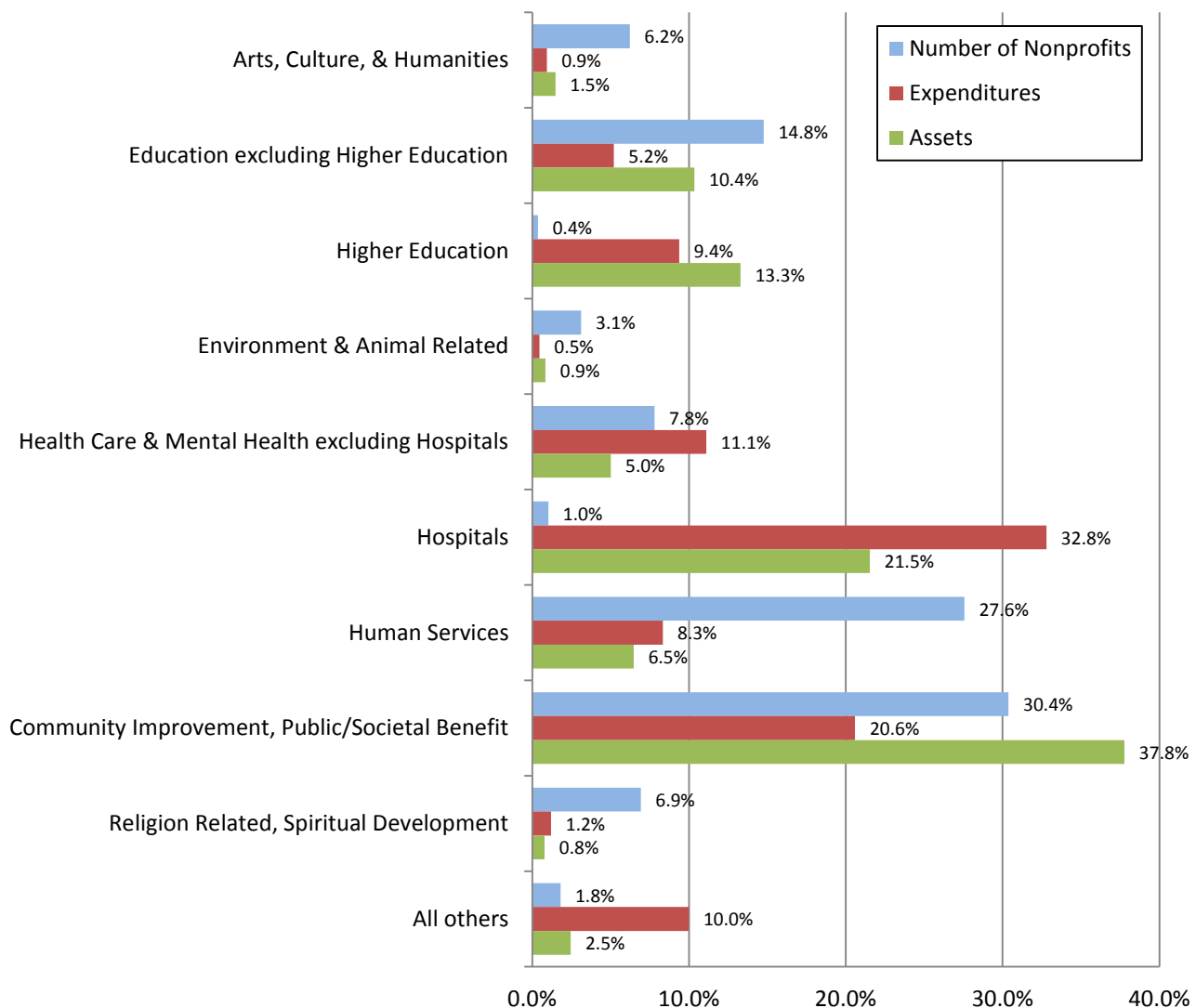
In 2003, human service organizations made up the largest share of Georgia nonprofits, accounting for 32 percent of all nonprofit organizations. By 2009, human services represented only 27.6 percent of all nonprofits, and the category of nonprofits with the largest share was “community improvement, public/societal benefit” organizations, which represented 30.4 percent of Georgia’s nonprofit sector (Figure 6).

Figure 6: Nonprofits by Type in Georgia, 2009



In 2009, Georgia hospitals represented only 1 percent of all nonprofits, but accounted for nearly one-third of all expenditures and just over one-fifth of all the assets of Georgia nonprofits. Higher education represented the smallest share of nonprofits, but controlled 13.3 percent of all nonprofit assets and accounted for 9.4 percent of nonprofit spending. The biggest shift from 2003 was from nonprofits in the “community improvement” category which grew from only 10.5 percent of nonprofits to more than 30 percent. In 2003, this group accounted for 4.2 percent of total expenditures, but by 2009, they were responsible for 20.6 percent of all nonprofit expenditures (Figure 7).

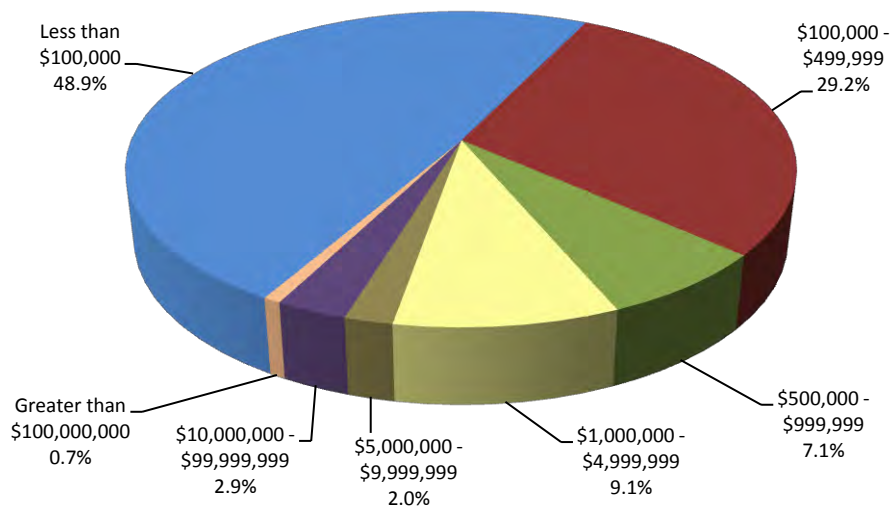
Figure 7: Number, Expenditures, and Assets of Nonprofits by Type in Georgia, 2009



Note: Grady Health System (Fulton-DeKalb Hospital Authority) is not included, as it is a public entity.

In 2009, nearly half of Georgia’s reporting nonprofits (5,596 organizations) had expenditures below \$100,000, and those organizations controlled only 1.4 percent of the total nonprofit assets. Just over 85 percent of all nonprofits (9,759 organizations) had expenditures of less than \$1 million, but controlled only 6 percent of the nonprofit assets. Conversely, only 3.6 percent of all Georgia nonprofits (167 organizations) had expenditures of \$10 million or more, but those organizations controlled 60.3 percent of all Georgia nonprofit assets (Figure 8).

Figure 8: Nonprofits by Expenditure Level in Georgia, 2009



Source: National Center for Charitable Statistics, Urban Institute

Foundations in Georgia, 2009

There were 1,815 reporting foundations in Georgia in 2009, with total assets exceeding \$9.7 billion. In total, those foundations had more than \$800 million in charitable expenses in 2009. The list of the top 10 foundations in Georgia only changed slightly from 2003, and those foundations had assets of \$4.8 billion – or 49.8 percent of all Georgia foundation assets (Table 4). With respect to charitable giving, the top 10 foundations gave more than \$452 million and represented 54.1 percent of the giving of all Georgia foundations (Table 5).

Table 4: Top 10 Foundations by Assets in Georgia, 2009

Foundation Name	Total Assets	Foundation Type	Fiscal Date
Robert W. Woodruff Foundation Inc.	\$ 2,403,030,271	Independent	12/31/09
The Goizueta Foundation	\$ 481,490,041	Independent	12/31/09
J. Bulow Campbell Foundation	\$ 475,099,921	Independent	12/31/09
Community Foundation for Greater Atlanta	\$ 466,706,917	Independent	12/31/09
Zeist Foundation Inc.	\$ 218,491,373	Independent	12/31/09
The University Financing Foundation Inc.	\$ 202,217,999	Operating	12/31/09
Callaway Foundation Inc.	\$ 177,955,549	Independent	9/30/09
The Wilbur and Hilda Glenn Family Foundation	\$ 144,876,631	Independent	12/31/09
The Marcus Foundation Inc.	\$ 137,986,196	Independent	12/31/09
Anverse Inc.	\$ 128,883,007	Operating	6/30/09
Total: \$ 4,836,737,905			

Total Georgia private foundation assets: \$ 9,709,643,275

Source: National Center for Charitable Statistics, Urban Institute

Table 5: Top 10 Foundations by Total Giving in Georgia, 2009

Foundation Name	Total Giving	Foundation Type	Fiscal Date
Community Foundation for Greater Atlanta Inc.	\$135,653,983	Independent	12/31/09
Robert W. Woodruff Foundation Inc.	\$106,273,049	Independent	12/31/09
The Marcus Foundation Inc.	\$ 50,364,670	Independent	12/31/09
The Coca-Cola Foundation Inc.	\$ 40,968,382	Corporate	12/31/09
The UPS Foundation Inc.	\$ 38,913,155	Corporate	12/31/09
J. Bulow Campbell Foundation	\$ 24,362,568	Independent	12/31/09
The Goizueta Foundation	\$ 22,968,538	Independent	12/31/09
Charles Edwin Suber Foundation	\$ 12,902,529	Independent	12/31/09
Zeist Foundation Inc.	\$ 10,382,642	Independent	12/31/09
Bradley-Turner Foundation Inc.	\$ 9,902,145	Independent	12/31/09
Total: \$452,691,661			

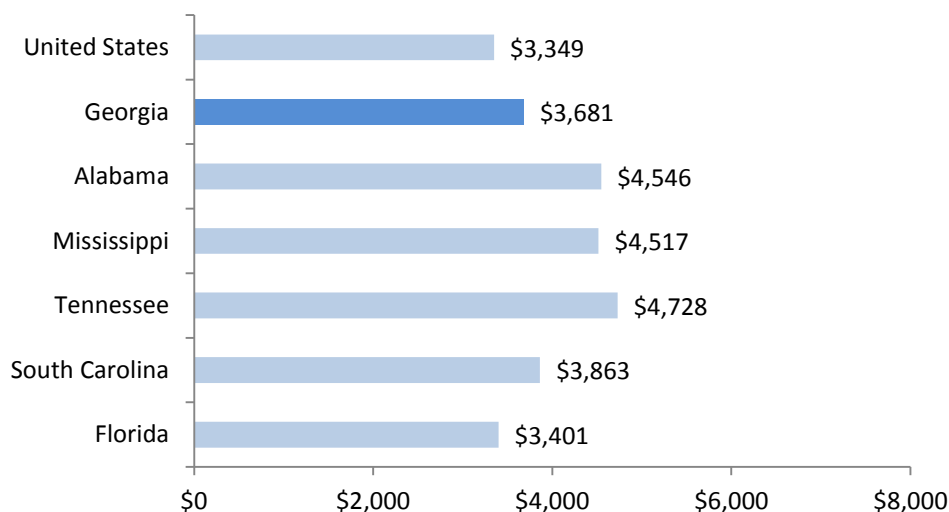
Total Georgia private foundation charitable expenses: \$837,244,170

Source: National Center for Charitable Statistics, Urban Institute

Charitable Giving and Volunteering in Georgia, 2009

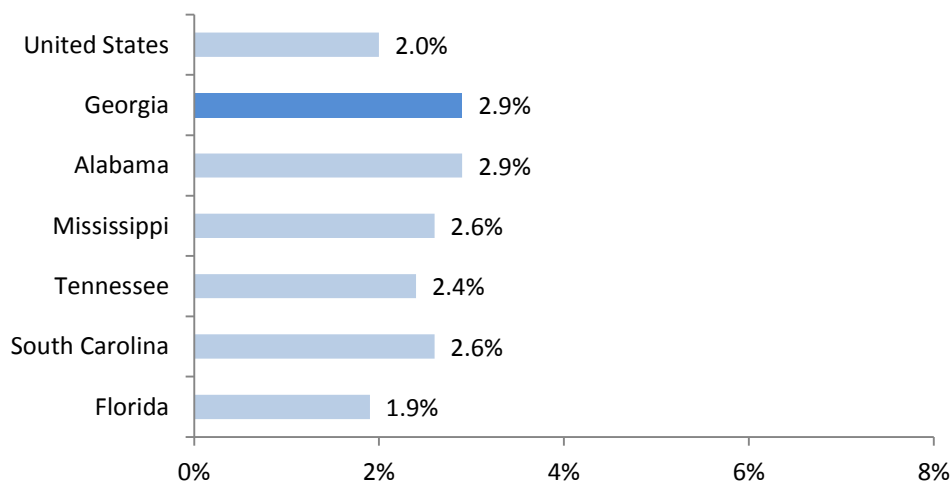
The average charitable contribution of those individuals that itemized in Georgia was \$3,681 in 2009 (Figure 9) – above the national average, but slightly lower than the number reported in 2003. That decline was most likely due to the overall decline in real, per capita personal income that the state experienced between 2003 and 2009. As a percent of total income, Georgia itemizers contributed 2.9 percent of income, again above the national average, but well below the 4.7 percent reported in 2003 (Figure 10).

Figure 9: Average Charitable Contribution of Itemizers in Georgia, 2009



Source: National Center for Charitable Statistics, Urban Institute

Figure 10: Percent of Income Contributed by Itemizers in Georgia, 2009



Source: National Center for Charitable Statistics, Urban Institute

In 2009, 26.8 percent of the U.S. population 16 years and older volunteered some of their time in some sort of community service – on average, just over 34 hours per resident. The rate for Georgia was slightly less at 24.4 percent, which ranked Georgia as 39th in the nation. With respect to the number of hours volunteered per resident, Georgia again was below the national average at 31.4, which was 37th in the nation (Table 6).

Table 6: Volunteering in Georgia, 2009

State	Rates	Rank	Hours per Resident	Rank
Utah	45.4%	1	100.1	1
Iowa	38.7%	2	46.7	6
Vermont	37.8%	3	43.7	9
South Dakota	37.4%	4	38.9	18
Alaska	36.8%	5	60.7	2
Minnesota	36.6%	6	39.2	16
Nebraska	36.1%	7	45.7	7
Idaho	35.7%	8	49.9	4
Wisconsin	35.7%	9	36.0	21
Kansas	35.2%	10	41.0	13
Montana	34.8%	11	50.4	3
Maine	34.4%	12	49.3	5
Washington	34.4%	13	39.8	15
Oregon	33.9%	14	45.1	8
Colorado	33.0%	15	41.9	11
Connecticut	33.0%	16	34.7	25
North Dakota	32.3%	17	33.9	27
Oklahoma	31.4%	18	33.9	28
Wyoming	31.2%	19	32.6	30
Indiana	29.5%	20	39.1	17
Maryland	29.4%	21	43.2	10
Ohio	29.4%	22	28.8	43
Missouri	28.8%	23	31.7	35
Michigan	28.7%	24	35.9	22
Tennessee	28.4%	25	38.4	20

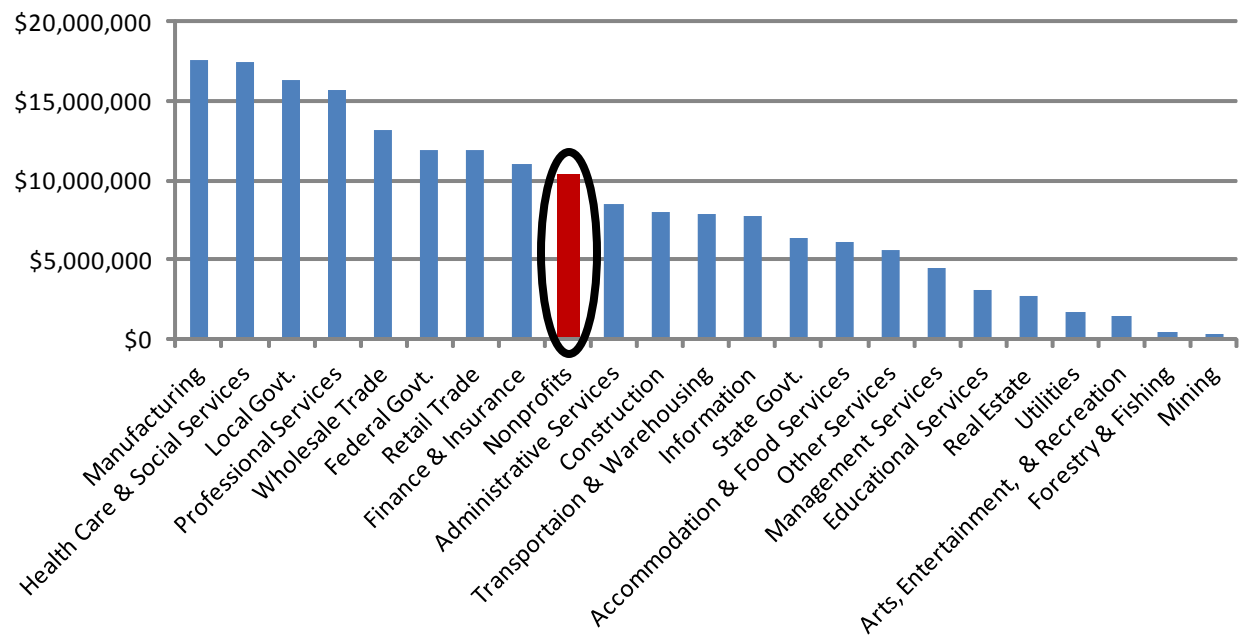
County	Rates	Rank	Hours per Resident	Rank
Illinois	28.3%	26	38.4	19
Virginia	28.1%	27	41.2	12
New Hampshire	27.8%	28	31.3	38
Pennsylvania	27.6%	29	31.9	33
Massachusetts	26.6%	30	26.5	46
Alabama	25.5%	31	25.3	49
Delaware	25.4%	32	35.3	24
Hawaii	25.4%	33	40.0	14
South Carolina	25.3%	34	32.0	32
Arizona	24.8%	35	34.4	26
Kentucky	24.7%	36	30.6	41
West Virginia	24.7%	37	32.2	31
California	24.6%	38	33.1	29
Georgia	24.4%	39	31.4	37
Texas	24.4%	40	31.5	36
Mississippi	23.6%	41	26.7	45
North Carolina	23.6%	42	26.5	47
Rhode Island	23.5%	43	31.8	34
Arkansas	23.2%	44	25.8	48
New Mexico	22.8%	45	29.9	42
New Jersey	22.4%	46	28.4	44
Florida	22.3%	47	35.4	23
Louisiana	21.0%	48	30.7	40
Nevada	20.6%	49	30.9	39
New York	19.3%	50	24.7	50
United States	26.8%		34.2	

Source: Corporation for National and Community Service

Employment and Income Comparison to Other Industries in Georgia, 2009

With a payroll exceeding \$10 billion and total employment of more than 231,000 people, if it were classified as its own industry, the Georgia nonprofit sector would rank ninth among Georgia sectors in terms of total compensation (Figure 11). In terms of total employment, the nonprofit sector would rank 11th behind finance and insurance, but ahead of real estate.

Figure 11: Total Compensation of the Nonprofit Sector Versus Other Industries in Georgia, 2009



Sources: Bureau of Economic Analysis; National Center for Charitable Statistics

ECONOMIC IMPACT OF THE NONPROFIT SECTOR IN GEORGIA

Economic impact occurs when there is an increase in the flow of money into an economy through the export of goods and/or services, or when an activity keeps money in a region that would otherwise have leaked out of the economy. Therefore, determining the total economic impact of Georgia's nonprofit sector is very much a matter of how one defines the size of the nonprofit sector, and either the resulting flow of money into Georgia or the extent to which the nonprofit sector keeps money from leaving the state.

For the purposes of this analysis, we examined two possible scenarios, both on the extreme ends of the spectrum. In the first scenario, we assumed that if all the nonprofits were to disappear from the state, all money that is currently contributed to, or earned by, Georgia nonprofits would be contributed to, or earned by, other nonprofits located outside the state. Taken to the extreme, this would result in a situation where all of the income earned or contributions received by those charities would disappear from the state's economy – as would the resulting expenditures made by those charities and their employees. This scenario represents the

broadest measure of the nonprofit sector and will therefore result in the largest possible economic impact. In this report, we will refer to this scenario as the “gross economic impact of the Georgia nonprofit sector.”

The second scenario resides on the opposite end of the spectrum. In this scenario, we assumed that if Georgia nonprofits were to disappear, residents of Georgia would simply redirect their contributions toward other Georgia economic activity. They may spend their money on for-profit enterprises, or pay more money in taxes to the state and/or local governments, which would in turn direct those monies toward providing the services that the nonprofit sector currently provides. Under this scenario, the money already in Georgia would remain, so there would be no loss of economic activity. At first glance, it might seem that under this scenario there is no economic impact of the nonprofit sector. However, the extent to which nonprofits receive contributions, grants, and revenue generated from sources outside the state would still provide a positive economic impact for Georgia. Second, nonprofits differ from the for-profit sector in that they receive significant resources, in the form of in-kind contributions of both goods and services. A survey completed by the Georgia Center for Nonprofits showed that approximately 16.8 percent of the revenue received by Georgia nonprofits came from the federal government (which clearly represents new money to the state), and that another 29.6 percent of nonprofit resources were received in the form of in-kind contributions. Therefore, at a minimum, we can assume that these resources would not have been attracted to the state absent the nonprofit sector. Using this information, we can estimate what, for purposes of this report, will be referred to as the “minimum economic impact of the Georgia nonprofit sector.” The results of both scenarios are shown below.

Gross Economic Impact of the Nonprofit Sector in Georgia

Based on information from both the Georgia Department of Labor and the National Center for Charitable Statistics, researchers calculated that the 11,444 reporting public and private charities/foundations in Georgia employed 231,128 people and pay nearly \$10.4 billion in salaries, wages, and other compensation. Under the previously described assumptions of this scenario, in 2009 all of this represented direct economic impact to Georgia. That initial impact supported an additional 281,635 jobs and another \$11.7 billion in wages. Therefore, in total under this scenario, the nonprofit sector in Georgia was responsible for 512,773 jobs, which represented 13.2 percent of all employment in Georgia in 2009 (Table 7).

Table 7: Gross Economic Impact of the Nonprofit Sector in Georgia, 2009

	Employment	Personal Income ¹	Output ¹
Direct ²	231,138	\$10,379.1	\$43,004.5
Indirect ³	146,448	\$6,397.8	\$19,404.2
Induced ⁴	135,187	\$5,327.6	\$15,902.2
Total:	512,773	\$22,104.5	\$78,310.9
Multiplier:	2.22	2.13	1.82

Notes:

1. Values are in millions of 2009 dollars.
2. Direct impacts are those impacts that are directly related to the organizations in the nonprofit sector.
3. Indirect impacts are those impacts that result from the purchases of nonprofit organizations.
4. Induced impacts are those impacts that result from the purchases of the employees of nonprofits.

Source: National Center for Charitable Statistics, Urban Institute; Georgia Institute of Technology, Enterprise Innovation Institute

Not surprisingly, the largest number of jobs occur in the service sector, as it is the primary sector for most nonprofit organizations. However, the spending of nonprofit employees (induced impact) created nearly 30,000 jobs in retail and wholesale trade. As can be seen in Table 8, most major sectors of the economy have significant employment that results from the nonprofit sector, including manufacturing, construction, and government.

Table 8: Gross Employment Impacts by Major Sector in Georgia, 2009

Sector	Direct	Indirect	Induced	Total
Agriculture	28	262	512	802
Mining	0	19	12	31
Construction	0	2,988	1,363	4,352
Manufacturing	0	2,870	1,812	4,683
TIPU ¹	4,804	7,930	3,712	16,446
Trade	0	5,451	29,715	35,166
Service	226,306	123,477	96,375	446,157
Government	0	3,451	1,686	5,136
Total ² :	231,138	146,448	135,187	512,773

1. TIPU stands for Transportation, Information, and Public Utilities

2. Totals may not add due to rounding.

Source: National Center for Charitable Statistics, Urban Institute;

Georgia Institute of Technology, Enterprise Innovation Institute

Minimum Net Economic Impact of the Nonprofit Sector in Georgia

As previously explained, at the minimum, the Georgia nonprofit sector can claim federal money it attracts to the state, as well as in-kind contributions, as “new” money brought into Georgia that would otherwise have not been realized. If we limit the economic impact to these revenue streams, only about \$20 billion of nonprofit revenues can be counted as direct economic impact. Running that amount through the IMPLAN™ model, the direct impact of the nonprofit sector is about 107,000 jobs and \$4.8 billion of personal income. That initial impact supports an additional 130,000 jobs and another \$5.4 billion in wages. Therefore, under this scenario, the state’s nonprofit sector was responsible for 237,546 jobs in Georgia, (which would be 6.1 percent of all employment in Georgia in 2009) and \$10.2 billion of personal income (Table 9).

As in the gross-economic-impact scenario, the largest number of jobs occur in the service sector, as it is the primary sector for most nonprofit organizations. Under this scenario, the spending of nonprofit employees (induced impact), creates nearly 14,000 jobs in retail and wholesale trade. Once again, even in this minimum scenario, as can be seen in Table 10, most major sectors of the economy have significant employment that results from the nonprofit sector.

Table 9: Minimum Economic Impact of the Nonprofit Sector in Georgia, 2009

	Employment	Personal Income ¹	Output ¹
Direct ²	107,189	\$4,775.9	\$19,954.1
Indirect ³	67,952	\$2,968.6	\$9,003.5
Induced ⁴	62,405	\$2,459.3	\$7,340.8
Total:	237,546	\$10,203.8	\$36,298.4
Multiplier:	2.22	2.14	1.82

Notes:

1. Values are in millions of 2009 dollars.
2. Direct impacts are those impacts that are directly related to the organizations in the nonprofit sector.
3. Indirect impacts are those impacts that result from the purchases of nonprofit organizations.
4. Induced impacts are those impacts that result from the purchases of the employees of nonprofits.

Source: National Center for Charitable Statistics, Urban Institute; Georgia Institute of Technology, Enterprise Innovation Institute

Table 10: Minimum Employment Impacts by Major Sector in Georgia, 2009

Sector	Direct	Indirect	Induced	Total
Agriculture	13	121	236	371
Mining	0	9	6	14
Construction	0	1,387	629	2,016
Manufacturing	0	1,332	837	2,168
TIPU ¹	2,229	3,680	1,714	7,622
Trade	0	2,529	13,717	16,246
Service	104,947	57,293	44,489	206,729
Government	0	1,601	778	2,379
Total²:	107,189	67,952	62,405	237,546

1. TIPU stands for Transportation, Information, and Public Utilities
2. Totals may not add due to rounding.

Source: National Center for Charitable Statistics, Urban Institute;
Georgia Institute of Technology, Enterprise Innovation Institute